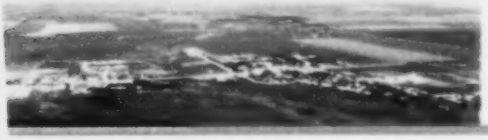
LOCAL GOVERNMENT SERVICES DIVISION



Municipal Services Branch

Village of Sangudo Dissolution Study

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Village of Sangudo Dissolution Study

Introduction

Section 130 of the Municipal Government Act requires that a dissolution study be done if the Minister receives a sufficient petition from electors requesting the study. In November 2003, the Minister of Municipal Affairs received a petition from electors of the Village of Sangudo asking for a dissolution study.

What is dissolution?

Dissolution is the legal process of dissolving one municipal corporation and joining it with another municipal corporation.

The Village of Sangudo is a municipal corporation providing local governance and municipal services to the residents. If the village dissolves, it would join with the municipal corporation of Lac Ste. Anne County. The county would then provide local governance and municipal services to the residents of Sangudo.

What is a dissolution study?

A dissolution study is a written report that in part:

- describes the current situation in the village;
- describes current information on municipal services in the village and what change may occur if the village joins the county; and
- provides a comparison of village and county taxes for 2003.

Information for the study is gathered from:

- village council and administration;
- county council and administration; and
- public and ministry records.

Please note: A dissolution study is not an audit or an inquiry into the operation of the municipality.

What happens when the study is completed?

Residents will receive the following:

- a copy of the study;
- a notice of the date, time and location of a public meeting, when Municipal Affairs will present the study and answer the questions of residents; and
- a notice of "Vote on a Bylaw or Question" giving the time, date and location of the vote (including advanced voting) on the question of dissolution.

The development of Sangudo

The present townsite was surveyed in 1915. With the coming of the railway in the same year, the townsite began to develop as a service centre for the surrounding community. Early development included such businesses as a post office, hotel, bank, grain elevator and lumber yard, to mention a few.

The Village of Sangudo was incorporated on April 12, 1937, with a population of 185. Sangudo, also referred to as the "little village with the big heart", is located 117 km northwest of Edmonton along Hwy. 43.

Some examples of businesses operating in Sangudo today include:

Sangudo Custom Meats;

Christine's Hair and Body Care;

Sangudo Bigway store;

R & A Variety Store; and

Sangudo Agencies.

Between 1999 and 2003, the village's declared population remained constant at 398.

The village's general financial position

On December 31, 2003, the village had financial assets of $69,857 and liabilities including long-term debt of $125,696. The village's net financial assets measure was negative. This means that if the village attempted to repay all existing liability and debt commitments at December 31, 2003, the shortfall would have been $55,839.

The village has improved on this measure during the past five years by applying its available resources to repay its debt. In 1999 its net financial assets shortfall was $167,320. The situation should again improve in 2004 when the village makes the final payment on two of its debentures.

The village's property tax assessment base

The value of the village's property tax assessment base has remained relatively stable from 1999 to 2003. The property tax assessment base was $9,314,170 in 1999 and $9,422,830 in 2003.

The ratio of residential to non-residential assessment has also remained relatively constant from 1999 to 2003. In 1999, residential property paid 71 percent of the municipal tax levy and non-residential property 29 percent. In 2003, residential property was paying 74 percent of the municipal tax levy and non-residential 26 percent. In recent history, residential assessment has always paid more than 50 percent of the property tax levy.

This means that the residential property assessment was paying a larger portion of the municipal property tax levy in 2003 than in 1999. It does not mean that non-residential property is not picking up its share of the property tax levy, just that there is less non-residential property assessment contributing to the overall property tax assessment base.

The village's municipal tax levy

The municipal property tax levy is the net amount of money required from the property tax assessment base to support the village's operations. It does not include requisitions for education or the seniors' foundation. Between 1999 and 2003, the municipal tax levy increased by 13 percent or $20,165. In 1999, the municipal tax levy was $159,442 and in 2003, it was $179,607.

The village's expenditures

Based on the five-year average from 1999 to 2003, the village spends 92 percent of its operating revenues on the following services:

- administration (includes such things as insurance, utilities, maintenance and staff salaries) (32%);
- roads, streets, walks and lighting (25%);
- water and sewer (20%);
- waste management (9%);
- fire protection (2%);
- ambulance service (1%);
- council (2%); and
- subdivision and land development (1%).

The remaining 8 percent went to:

- parks and recreation (5%);
- family and community support services (1%);
- bylaw enforcement (less than 1%); and
- library (less than 1%).

This means the village spends 92 percent of its operating revenues on average to provide what most would consider essential services.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Council representation	Village residents elect three councillors to represent their interests on the village council. The village council appoints the mayor at the annual organizational meeting. The first duty of village councillors prescribed in section 153 of the Municipal Government Act is: *(a) To consider the welfare and interests of the municipality as a whole and to bring to council's attention anything that would promote the welfare or interests of the municipality.*	The county is divided into seven electoral divisions. Each electoral division elects one councillor to represent their interests on the county council. At the organizational meeting, the county council appoints the reeve. Sangudo residents would be included in division 4, which has a current population of 979. The county will not have to adjust electoral division boundaries because of dissolution. If dissolution occurs, the county strongly suggests that the residents set up a village committee to act as an advisor to the area councillor on issues affecting Sangudo. The first duty of county councillors prescribed in section 153 of the Municipal Government Act is: *(a) To consider the welfare and interests of the municipality as a whole and to bring to council's attention anything that would promote the welfare or interests of the municipality.*
Council meetings	The village council meets on the fourth Monday of the month at the village office beginning at 9 a.m. Council meetings are open to the public to listen and observe. If residents wish to talk to council or make a presentation at the meeting, they normally would contact the village office to be included on the council agenda.	The county council's regular meetings are on the second and fourth Thursday of the month at the county office beginning at 9:30 a.m. Council meetings are open to the public to listen and observe. If residents wish to talk to council or make a presentation at the meeting, they normally would contact the county office to be included on the council agenda.
Village employees	The village has two full time employees: • the Chief Administrative Officer (CAO); and • an administrative assistant. The village uses a part-time administrative person as needed.	The county has 45 full-time employees. The county would not require the village employees beyond a three-month transition period following dissolution. Village employees will be provided with a three-month transition period while they help the county wind up Sangudo's affairs. At the

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
		time of dissolution or after the three-month transitional period, employees would receive a severance package. The provincial government contributes to the cost.
Village office	The village office is open Monday to Friday from 8:30 a.m. to 4:30 p.m. for residents to conduct business with the municipality. In addition to conducting its regular municipal business, the village office also provides some additional services to residents such as: • filling out forms for seniors; • preparing land title documents; • storing equipment for minor hockey; • providing a community access point for computers; and • holding a hearing clinic one day per month.	The county office is open Monday to Friday from 8:30 a.m. to 4:30 p.m. for residents to conduct business with the municipality. The county would close the village office and consider remodelling the building to provide for a larger fire hall and training area. The county has a community access point for computers at the municipal office. If dissolution occurs, the county council will assess the remaining additional services provided from the village office and accommodate those services, subject to available space and resource requirements.
Information	Village residents can get information from the village office during business hours or by contacting one of the village councillors. Village residents also receive a monthly newsletter about council activities and service issues.	County residents can get information from the county office or by contacting their councillor. If the village dissolves, the county would provide Sangudo residents with a package of information about county services, emergency numbers and contact numbers.
Minimum tax rate	The village has a minimum property tax bylaw. For 2003, the minimum tax was $500. For 2004 tax year the village council intends to change the minimum tax as follows: • If the 2004 property tax calculated at village rates is less than $250, then a minimum tax of $250 will apply. • If the 2004 property tax calculated at village rates is from $251 to $499, then a minimum tax of $500 will apply.	The county has a higher mill rate for vacant residential property than for developed residential property. For 2003, the tax rate was 20.132 mills. Appendix 4 uses the assessment on three vacant residential properties in Sangudo to estimate the impact of the village's minimum tax and the county's vacant residential tax rate for 2003.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Payment of tax and utility bills	Village residents can pay tax or utility bills at: • the village office; or • the Yellowhead Credit Union.	County residents can pay tax or utility bills at: • the county office; • most financial institutions including the Yellowhead Credit Union; or • use Internet banking.
Tax due dates and penalties	The village sent out 2004 tax notices to residents in June. The 2004 taxes are due and payable to the village after 30 days of notification or July 1, whichever is the later. Tax penalties include: • a tax penalty of 6 percent is levied on all unpaid taxes after 30 days of notification or July 1, whichever is the later; • a penalty of 12 percent is levied on all taxes remaining unpaid after 90 days of notification, or July 1 of the year in which the taxes are levied; and • on January 1 of the following year, a penalty of 18 percent is levied on all remaining unpaid taxes. The village offers its residents a preauthorized monthly installment plan to provide for the payment of property taxes, local improvement and special taxes in monthly installments from January to December. Taxes left owing after the due date will be charged a penalty under the village bylaw.	Current taxes in the county are due and payable before July 31 in the year that they are levied. Current taxes that remain unpaid will be assessed a penalty as follows: • six percent on August 1; • two percent on September 1; • two percent on October 1; and • two percent on November 1. Taxes that remain unpaid after December 31 of the year in which they are levied will be penalized in the following year and in each year thereafter so long as the taxes remain unpaid as follows: • two percent on January 1; • four on February 1; and • six percent on March 1. The county offers its residents a preauthorized monthly installment plan to provide for the payment of property taxes, local improvement and special taxes in monthly installments from January to December. If Sangudo should dissolve in 2004, taxes (current and arrears) owing to the village become taxes owing to the county. Penalties for any unpaid balance would be subject to village tax penalty bylaw until December 31, 2004. The county council may chose then to rescind the village tax penalty bylaw in 2005 and apply the county tax penalty bylaw to Sangudo properties.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
		The tax bill Sangudo residents received from the village is the only tax bill they will receive for 2004. In 2005, Sangudo residents would receive their county tax bills at the same time as county residents.
Tax concession program	In 1998, the village council introduced a tax concession program to encourage new construction and property improvements. To be eligible for the program: • residents must have an approved building or renovations permit; • construction must begin prior to September of the next year; and • current and arrears taxes must be paid. Calculation is based on increased assessment resulting from the construction or improvement (not including land values), and the amount is calculated only on the municipal portion of the taxes. The program is effective for the tax year the assessment increased and continues for five years. Payment: • Council passes a motion annually to rebate a portion of the municipal tax to eligible landowners; and • The village issues a rebate cheque to eligible property owners.	The county would honour any current property owners already in the program, but would not continue to offer the program in the future.
Village assets and liabilities	The village has assets including cash, land, buildings and equipment and liabilities including long-term debt and accounts payable.	Sangudo's assets and liabilities would transfer to the county at the time of dissolution. The county could sell any assets not required by the county for municipal purposes. The Order-in-Council dissolving the village would include a provision that the county must place surplus cash (assets minus liabilities) in a separate reserve. The county must then use those funds to benefit Sangudo.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Village debt	The total village debt principal outstanding was $106,291 at December 31, 2003. The debt consists of three debentures that were used to finance the utility systems. The annual payment on the debt comes from the village's general property tax base. The final installment of $22,435 on two of those debentures will be paid in 2004. The remaining debenture has an annual payment of $16,191 and will be paid off in 2011. Payments on any new long-term debt for the utility systems would come from one or a combination of: • utility rates; • a special tax on all village properties; • a local improvement tax on specific properties; and • reserves.	The village debt transfers to the county and Sangudo's general property tax base will still be responsible for the annual debt payments. The county would levy a special tax rate to collect the annual debt payments from Sangudo residents. Based on an assessment base of $9,422,830, in 2003 the amount of the special levy would have been 4.099 mills. This special debt levy is reflected in the tax comparison charts in the appendix. Payments on any new long-term debt for the utility systems would come from one or a combination of: • utility rates; • a special tax on all Sangudo properties; • a local improvement tax on specific properties; • the special reserves referred to above; and • other reserves.
Fire	The village contracts fire suppression services from Lac Ste. Anne County. The county fire department responds to incidents in the village. Responses by the county fire department are charged back to the owner occupant according to the county's policy on fire suppression costs. The county invoices the village annually for a portion of the operating and capital requirements of the county fire department. In turn, the village charges the county rent for housing its fire department apparatus in the village fire hall. The net cost of this service to the village was $12,510 for 2003.	The county fire department would continue to provide services in Sangudo. If the village dissolves, residents would be subject to the same fire suppression costs policy as they are now in the village.
Police	The RCMP provides police services at no cost to the village. Routine response comes from the Mayerthorpe detachment.	The RCMP provides police services at no cost to the county. Routine response comes from the Mayerthorpe detachment.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Ambulance	The village is a participating member of the Ste. Anne Regional Ambulance Authority. The authority contracts private ambulance operators to provide service for village residents. The village pays the authority a per capita subsidy, which was $8,779 for 2003.	The county is a participating member of the Ste. Anne Regional Ambulance Authority. The county levies a separate tax rate to fund the annual subsidy for ambulance services. The amount of the levy for 2003 is included in the tax comparison chart in appendix 1.
Village bylaws	The village has bylaws in place to regulate and administer the village including such things as: • sidewalk snow removal; • land use; • off-road vehicles; • public parks and playgrounds; • unsightly property; • land use bylaw; and • the general municipal plan.	Village bylaws would remain in effect in Sangudo until the county council repeals or amends them.
Bylaw enforcement	The village contracts the services of a Special Constable from the county to enforce village bylaws and provincial statutes. The Special Constable provides regular patrols and responds to requests initiated by the village CAO.	The county employs a Special Constable to enforce county bylaws and provincial statutes. The county would continue to provide bylaw enforcement in Sangudo.
911 dispatch services	The village contracts the service from Parkland County.	The county contracts the service from the Parkland County.
Disaster services	The village has a Municipal Emergency Response Plan in place.	The county would amend its Municipal Emergency Response Plan to include Sangudo.
Road maintenance	The village contracts its road maintenance from private contractors. The village access road and main street are paved and the remainder of the streets are gravel. Road maintenance activities and standards come from a comprehensive set of public works policies. The CAO coordinates the road maintenance activities, and supervises the contractors. The village provides a yearly dust control program that is paid from the	The county uses its own staff and equipment and contractors to maintain its roads. The county offers dust control on gravel surface roads in the form of calcium chloride. The cost to residents will be $1.50 per lineal meter ($.45 per lineal foot), plus GST for the calcium chloride material. The minimum application will be for 100 lineal meters (328 ft.) on the road adjacent to the residence(s).

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
	village's general revenues. The village contracts for snow clearing. Priorities set by the village council for clearing snow are: • main arteries; • downtown area; • centre of town; • industrial area; and • residential areas. Village properties and back alleys are cleared last.	The cost of water, gravel and grader preparation work will be borne by the county. All county residents are eligible to participate in the dust control program; however, in areas where residences are closer than 100 meters, it may be economical for all residents within the 100 meters to cost share the purchase. Lac Ste. Anne County will guarantee calcium as a dust suppressant for one season only, subject to approval by the Public Works Manager or his designate. The county clears snow using contractors and its own equipment. County priorities for clearing snow are: • main arteries; • downtown area; • centre of town; • industrial area; and • residential areas. Municipal properties and back alleys are cleared last.
Sidewalks	The village hires contractors to maintain village sidewalks. For new sidewalks, the village would use Streets Improvement Program grant funding. Village property owners are required to remove snow and ice from sidewalks abutting their property within 48 hours. Industrial property owners are exempt from this requirement.	The county performs summer sidewalk maintenance in hamlets. For any new sidewalks in Sangudo, the county would use Streets Improvement Program grant funding. Sangudo residents would continue to be responsible to remove snow and ice from sidewalks abutting their property within 48 hours. Industrial properties would continue to be exempt from this requirement.
Street lighting	The village has 103 streetlights. Energy costs are paid by the general tax levy with the exception of the sports grounds. The Sangudo Sports Grounds Committee pays the village for its usage of the lighting system. The 2003 cost to the village for street lighting was $21,530.	The county pays the cost of street lighting in hamlets from general revenue. However, it is reviewing this policy and the street lighting costs may come out of a special levy in all county hamlets in the future. The county would continue to invoice the Sports Grounds Committee for its share of the cost of lighting.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Water and sewer system	The water system includes wells, treatment facilities, pumping stations, reservoirs, hydrants and underground piping. The system was installed prior to 1980 and upgraded in 1986. The sewer system includes lagoons, pumping stations and underground piping. The village contracts a qualified person to operate the water and sewer systems from the Village of Alberta Beach. The contractor provides 24-hour emergency service. The systems are registered and operated in accordance with the code of practice issued by Alberta Environment. The village is investigating improvements to the sewer outfall line. Village residents would be responsible to pay the cost of any future upgrading of the system, by using one or a combination of the following sources of funding: • grants; • utility rates; • property tax; or • reserves.	The county would operate the water and sewer systems using qualified county operators and in accordance with the code of practice issued by Alberta Environment. Emergency service would be available 24 hours a day, seven days a week. The county would terminate the contract with Alberta Beach for the operation of the systems according to the terms of the agreement. The county would continue to investigate and make any necessary improvements to the sewer outfall line. Sangudo residents would be responsible to pay the cost of any future upgrading of the systems, by using one or a combination of the following sources of funding: • grants; • utility rates; • property tax; or • reserves.
Waste management	The village is a member of the Highway 43 East Waste Commission. A contractor picks up the village's residential and commercial waste as well as the recycling bins and delivers the waste to the regional site for disposal. The contract expires in 2010. Waste is collected every Wednesday from May 1 to November 1 and every second Wednesday during winter months. The village also provides a spring and fall cleanup drive and toxic roudup. The village pays a tipping fee of $55 per tonne for operation and maintenance of the regional site.	The county is a member of the Highway 43 East Waste Commission. The county would continue the current agreement with the waste contactor. The county would not provide a spring and fall cleanup. Residents can dispose of waste not routinely picked up by the contractor (fridges, stoves etc.) at the local transfer station. The county would not provide for a toxic roundup in Sangudo; however, the county supports the program in Mayerthorpe and Onoway.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Utility rates	The village utilities include water, sewer and waste management. The monthly charge for residential water, sewer and waste management is $50. The village council policy is to have utility rates pay for the cost of providing the service including such things as: • operating costs; • payments on the utility debt; and • reserves for emergency repairs. The village offers an incentive plan of one free month for those who pay their utility costs before January 31 of the current year. From 1999 to 2003, the average operating revenue for the water and sewer systems was $88,731, while the average operating expenditures were $80,114. From 1999 to 2003, the average operating revenue for the waste management system was $33,274, while the average operating expenditures were $36,285. Based on the five-year average, the current utility rates are paying the operating costs of the utility systems. However, the current rates are not generating enough revenue over and above operating costs to make the payments on the long-term debt or set aside reserves for emergency repairs.	The county policy is to have utility rates pay for the cost of providing the service. The county would continue to send Sangudo residents monthly utility bills and continue to charge the residents the same utility rates. Any operating surplus would be placed in a reserve to help fund the cost of future repairs or replacement of the Sangudo water and sewer systems. The county would discontinue the utility incentive plan. The county operates only sewer systems in its other hamlets and uses a different fee structure. If dissolution occurs, the county would review its rate system for utilities to ensure fair and equitable treatment of all hamlet residents in the county.
Family and Community Support Services (FCSS)	The village operates and administers an FCSS program for village and county residents. Some programs are delivered directly by the village, while other programs are supported by providing grants to community groups. The county contributes to the funding of some programs based on the level of participation from county residents.	Before 2003, the county provided FCSS services in Sangudo at the village's cost. If the village dissolves, the county would then operate the FCSS program in Sangudo. A local recreation and FCSS board comprised of members of the community at large and the local councillor make funding recommendations to the county council.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Library services	The Sangudo Municipal Library Board provides library services to residents. The village is also a member of the Yellowhead Regional Library System. The village provides a per capita grant to the board for village residents using the services and pays a per capita requisition to the regional system for its services to the municipal library.	The county is a member of the Yellowhead Regional Library System. If the village dissolves, the Sangudo Municipal Library Board would become a community library board under the Lac Ste. Anne County Municipal Library Board similar to other community libraries in the county. The community library in Sangudo would receive funding similar to other community libraries such as Darwell and Rich Valley.
Tourist booth	The village tourist booth is open Fridays, Saturdays, Sundays and holiday Mondays from May to September. A part-time person under the supervision of the CAO operates the booth. The village funds the operation of the tourist booth from the general tax levy. The Sangudo tourist booth may be not be accessible in its current location due to the realignment of Highway 43.	The county would continue to operate the tourist booth for 2004. The county council would assess the relocation of the tourist booth when it becomes necessary and make a decision on the matter.
Campgrounds	The village owns and operates the Riverside Campground. The village's CAO manages the campground and contracts a person to maintain the campground and provide security.	The county will continue to operate the Riverside Campground.
Sports grounds	The village owns the sports grounds and maintains the grounds using funding from the Summer Temporary Employment Program. The Sangudo Sports Grounds Committee, in conjunction with the village administration, manages the activities at the sports grounds.	Ownership of the Sports Ground property would transfer to the county at the time of dissolution. The Sangudo Sports Grounds Committee and the county would continue to manage the activities at the sports grounds.
Arena	The Sangudo Agricultural Society owns and operates the arena. The village provides snow removal service for the arena. The village does not charge the Sangudo Agricultural Society for water, sewer or garbage pickup and provides other in-kind assistance.	The county would continue to provide an operating grant to the society, snow removal service at the arena. The society would however, be responsible for monthly water, sewer and garbage pickup costs.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Cemetery	The village maintains the cemetery and is the custodian of the records.	The county would maintain the cemetery and be the custodian of the records.
Additional named insured	The village includes the following persons or groups as additional named insured on the village insurance: • the Sangudo Library Board; • the contract worker at the Riverside Campground; and • the Sangudo Golden Club. The Sangudo Library Board and the Sangudo Golden Club pay the cost of the insurance coverage. The village pays for the coverage of the contract worker for the Riverside Campground.	The county would include the Sangudo community library board and the Sangudo Golden Club as additional named insured under the county insurance. The Golden Club and the community library board would be responsible to pay the cost of the insurance coverage. If the county uses a contract operator for the Riverside Campground, the contractor could be included as an additional named insured under the county insurance.
Boards and committees	The village councillors sit on various boards and committees representing the village interests, some of which include: • Lac Ste. Anne Foundation; • Lac Ste. Anne Regional Solid Waste Services Commission; • Ste. Anne Regional Ambulance Authority; • Yellowhead East Business Development Centre; and • Sangudo Municipal Library Board.	The county councillors sit on various boards and committees representing the county residents interests, some of which include: • Lac Ste. Anne Foundation; • Lac Ste. Anne Regional Solid Waste Services Commission; • Ste. Anne Regional Ambulance Authority; • Yellowhead East Business Development Center; and • Sangudo Municipal Library Board. Sangudo residents would lose separate representation on boards and committees where the appointments require elected officials. The county councillors would represent the interests of Sangudo residents on boards or committees, along with the interests of the rest of the county residents.
Grass cutting	The village cuts the grass on village-owned property. The village offers grass cutting for private individuals on a fee for service basis.	The county would continue to cut the grass on municipal property, but would not offer service to private individuals.

Services and community issues	Current situation in the village	What residents can expect if Sangudo joins the county
Grants	The village is eligible for various grants under programs such as the: • Streets Improvement Program; • Alberta Municipal Water/Wastewater Partnership Program; • Summer Temporary Employment Program; • Municipal Sponsorship Program; and • Alberta Sports, Recreation, Parks and Wildlife Foundation. The village council applies for grants based on village priorities.	The county is eligible for various grants under programs such as the: • Streets Improvement Program; • Alberta Municipal Water/Wastewater Partnership Program; • Summer Temporary Employment Program; • Municipal Sponsorship Program; and • Alberta Sports, Recreation, Parks and Wildlife Foundation. The county council applies for grants based on county priorities. The difference is that after dissolution, grants for Sangudo will be considered along with the needs of the rest of the county. Sangudo's priorities may not always be county priorities.
Yellowhead East Business Development Corporation	The village owns the property and the structures and leases them to the Yellowhead East Business Development Corporation (YEBDC). One building houses the YEBDC administration and the other building houses the Alberta Way program. Fire insurance and maintenance of the buildings are the responsibility of the village. The annual lease revenue to the village is $27,144. The current leases expire in 2005 and 2007.	The county would continue to lease the property to the Yellowhead East Business Development Corporation. The YEBDC is a separate entity offering programs and services and therefore, is not affected by dissolution.
Village shop	The village rents one bay in the public works shop and charges the tenant $200 per month. The rental agreement can be cancelled by giving 30 days notice to the tenant.	The county may need the bay for municipal purposes and would discontinue renting the property.

Appendix 1

2003 residential tax rate comparison

Residential tax rate	Village 2003	County 2003
General municipal	17.793	5.926
Education	5.702	5.048
Seniors foundation	0.175	0.173
Waste commission	0.000	0.762
Fire protection services	0.000	0.613
Recreation and FCSS	0.000	0.273
Ambulance Services	0.000	0.225
2003 tax rate	23.670	13.020
Add:		
Special debt levy (for Sangudo)	0.00	4.099
2003 comparative tax rate	23.670	17.119

Note: County rates would include a special debt levy of 4.099 mills to cover the village debt payment.

Conclusion: The 2003 county residential tax rate in 2003 was 45 percent lower than the village without the special debt levy and would have been 28 percent lower with the special debt levy included.

2003 non-residential tax rate comparison

Non-residential tax rate	Village 2003	County 2003
General municipal	17.763	15.310
Education	8.974	5.945
Seniors foundation	0.175	0.173
Waste commission	0.000	0.762
Fire protection services	0.000	0.613
Recreation and FCSS	0.000	0.273
Ambulance Services	0.000	0.225
2003 tax rate	26.912	23.301
Add:		
Special debt levy (for Sangudo)	0.000	4.099
2003 comparative tax rate	26.912	27.400

Note: County rates would include a special debt levy of 4.099 mills to cover the village debt payment.

Conclusion: The 2003 county non-residential tax rate in 2003 was 13 percent lower than the village without the special debt levy and would have been 2 percent higher with the special debt levy included.

Appendix 2

2003 estimated residential municipal cost comparison

The tables consider three actual residential properties in Sangudo. By applying the 2003 village and county tax, debt payment rates of these properties, residents can compare the expected cost if Sangudo remains a village with the expected total municipal cost if Sangudo joins the county. Estimates are rounded to the nearest dollar value.

2003 estimated cost if Sangudo remains a village

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Total
Residential 1	$141,460	23.67	$3,348	$0	$3,348
Residential 2	$60,780	23.67	$1,439	$0	$1,439
Residential 3	$24,730	23.67	$585	$0	$585

2003 estimated cost if Sangudo joins the county

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Total
Residential 1	$141,460	13.0200	$1,842	$580	$2,422
Residential 2	$60,780	13.0200	$791	$249	$1,040
Residential 3	$24,730	13.0200	$322	$101	$423

2003 estimated residential cost comparison summary

Sample properties	Municipal cost if Sangudo remains a village	Municipal cost if Sangudo joins the county	Adjustment $	Percentage %
Residential 1	$3,348	$2,422	-$926	-28
Residential 2	$1,439	$1,040	-$399	-28
Residential 3	$585	$423	-$162	-28

Conclusion: Using county rates, the sample residential properties would have paid 28 percent lower municipal cost than using village rates in 2003.

Appendix 3

2003 estimated non-residential municipal cost comparison

The tables consider three actual non-residential properties in Sangudo. By applying the 2003 village and county tax, and debt payment rates of these properties, residents can compare the expected cost if Sangudo remains a village with the expected cost if Sangudo joins the county. Estimates are rounded to the nearest dollar value.

2003 estimated non-residential cost if Sangudo remains a village

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Total
Non-residential 1	$103,510	26.912	$2,786	$0	$2,786
Non-residential 2	$85,700	26.912	$2,306	$0	$2,306
Non-residential 3	$40,270	26.912	$1,084	$0	$1,084

2003 estimated non-residential cost if Sangudo joins the county

Sample properties	Assessment	2003 tax rate	Taxes	Debt levy	Total
Non-residential 1	$103,510	23.301	$2,412	$424	$2,836
Non-residential 2	$85,700	23.301	$1,997	$351	$2,348
Non-residential 3	$40,270	23.301	$938	$165	$1,103

2003 estimated non-residential cost comparison summary

Sample properties	Municipal cost if Sangudo remains a village	Municipal cost if Sangudo joins the county	Adjustment $	Percentage %
Non-residential 1	$2,786	$2,836	$50	2
Non-residential 2	$2,306	$2,348	$42	2
Non-residential 3	$1,084	$1,103	$19	2

Conclusion: Using county rates, the sample non-residential properties would have paid 2 percent higher cost than using village rates in 2003.

Appendix 4

2003 estimated vacant non-residential municipal cost comparison

The tables consider three actual vacant residential properties in Sangudo. By applying the village's 2003 minimum tax rate and the county's vacant residential tax rate, and debt payment rates of these properties, residents can compare the expected cost if Sangudo remains a village with the expected cost if Sangudo joins the county. Estimates are rounded to the nearest dollar value.

Note: The chart uses 2003 tax rates since the village has not passed its mill rate bylaw for 2004. Results will vary for 2004.

2003 estimated vacant residential cost if Sangudo remains a village

Sample properties	Assessment	Village 2003 tax rate	tax	Minimum tax applied	Total
Vacant residential 1	$7,380	23.670	$175	$325	$500
Vacant residential 2	$6,140	23.670	$145	$355	$500
Vacant residential 3	$4,320	23.670	$102	$398	$500

2003 estimated vacant residential cost if Sangudo joins the county

Sample properties	Assessment	County 2003 tax rate	tax	Debt levy	Total
Vacant residential 1	$7,380.00	20.132	$149	$30	$179
Vacant residential 2	$6,140.00	20.132	$124	$25	$149
Vacant residential 3	$4,320.00	20.132	$87	$18	$105

2003 estimated vacant residential cost comparison summary

Sample properties	Municipal cost if Sangudo remains a village	Municipal cost if Sangudo joins the county	Adjustment $	Percentage %
Vacant residential 1	$500	$179	-$321	-64
Vacant residential 2	$500	$149	-$351	-70
Vacant residential 3	$500	$105	-$395	-79

Conclusion: Using county rates, the sample vacant residential properties would have paid between 64 percent to 79 percent lower cost than using village rates in 2003.

What is the next step?

Alberta Municipal Affairs will conduct a public meeting to discuss the dissolution study on June 24, 2004 at 7 p.m. in the Sangudo Legion Hall.

A vote on the question of dissolution will take place on June 29, 2004 between 10 a.m. and 8 p.m. at the Sangudo Elks Hall.

An advance vote will be held on June 26, 2004 between 10 a.m. and 1 p.m. at the Sangudo Elks Hall. The question on the ballot is:

"Do you wish the Village of Sangudo to dissolve and become part of Lac Ste. Anne County?"

Alberta Municipal Affairs will administer the vote in accordance with the Local Authorities Election Act.

Who can vote?

To be eligible to vote you must be:

- at least 18 years of age;
- a Canadian citizen;
- a resident of Alberta for the six months immediately preceding the vote; and
- a resident of the Village of Sangudo on the day of the vote.

What does it mean to be a resident of the Village of Sangudo on the day of the vote?

The Local Authorities Election Act, section 48(1), states the rules of residence.

For the purposes of this Act, the place of residence is governed by the following rules:

(a) a person may have only one place of residence for the purposes of this Act;

(b) the residence of a person is the place where the person lives, sleeps and to which, when the person is absent, the person intends to return;

(c) a person does not lose the person's residence by leaving the person's home for a temporary purpose;

(d) subject to clause (e), a student who

i. attends an educational institution within or outside Alberta,

ii. temporarily rents accommodation for the purpose of attending and educational institution, and

iii. has family members who are resident in Alberta and with whom the student ordinarily resides when not attending an educational institution

is deemed to reside with those family members;

(e) if a person leaves the area with the intention of making the person's residence elsewhere, the person loses the person's residence within the area.

What happens after the vote?

The results of the vote, and the information in the study are provided to the Minister to help the Minister determine whether to recommend to the Provincial Cabinet that the Village of Sangudo should dissolve and join Lac Ste. Anne County.

What happens if the Minister recommends dissolution?

If the Minister recommends dissolution to the Provincial Cabinet and it agrees, an Order in Council is passed dissolving the village into the county. The village council and administration would then work with the county to wind up the village's affairs.

What will happen if the Minister determines that the village should not dissolve?

The village will continue to provide services to residents and the county will continue to work with the village.

Who can I contact if I need more information?

Call Terry Broome or Mark Cooper at Alberta Municipal Affairs toll-free by dialing 310-0000 and asking for 427-2225.